

**SUMMARY OF DEPARTMENT OPERATIONAL SUPPORT CONTRACT
REQUEST TO THE HEALTH COMMISSION**

A DOS Contract is a Contract for the provision of goods or services that directly supports DPH's operations.

Contractor: 3M Health Information Systems, Inc.	Division/Section:	DPH / Health Information Management Systems (HIMS)
<u>575 W Murray Blvd.</u>	Chief Operating Officer:	Greg Wagner
Address: <u>Murray, UT 84123</u>	DPH Administrator:	Diane Lovko-Premeau ^{DS} <i>DL</i>
	Program Administrator:	Tammy Higgason Phone: 628-206-6020
Contact: <u>Craig Higgins</u>	Email: chiggins3@mmm.com	Contract Analyst: Dereje Geleta Phone: 628-271-6152

Request for approval of a new software contract with 3M Health Information Systems, Inc. ("3M HIS") to acquire access to the 3M 360 Encompass Platform which includes encoder software to accurately code medical records for compliance and billing purposes for the Department of Public Health. The total proposed contract amount is \$7,822,696 which includes a 12% contingency for the term of May 1,2023 through April 30,2029 (6 years).

Mark only one for each question below:

- Vendor Type** For Profit Non-Profit Government Entity
- Is the Vendor a CMD Certified LBE?** Yes No
- Purchasing Authority:** RFP Sole Source GPO
RFP SFGOV0000006765 <Sole Source Number>
April 4,2022 <Approval Date>
- Does DPH have other existing contracts with this Vendor?** Yes No
If yes, approximately how many years has DPH been doing business with this Vendor? Provide explanation, as needed. 0 Years

CONTRACT INFORMATION

Proposed Transaction

May 1,2023, to April 30, 2029

FUNDING SOURCES:

General Fund	\$6,984,550
<u>TOTAL DPH REVENUES:</u>	\$6,984,550
12% Contingency Amount	\$838,146
<u>TOTAL CONTRACT AMOUNT WITH CONTINGENCY:</u>	\$7,822,696
<u>ONE-TIME UPFRONT COSTS:</u>	N/A
<u>ANNUAL AMOUNT OF CONTRACT*:</u>	\$ 1,564,539.2
<i>*Excludes one-time upfront/implementation costs.</i>	

[FOR PROGRAM ADMINISTRATION CONTRACTS ONLY]

Program Administrator Indirect Percent	
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<u>TOTAL INDIRECT EXPENSES:</u>	
<u>TOTAL DIRECT EXPENSES:</u>	

PROPOSED BREAKDOWN OF ITEMS/SERVICES

Item#	Description	YEAR 1	YEAR 2	YEAR 3	YEAR4	YEAR 5	TOTAL
1	Software License (S)/Subscriptions(S)	\$813,853	\$854,546	\$897,273	\$942,137	\$989,243	\$4,497,052
2	Implementation -Total deliverable-	\$679,479					\$678,479
3	Storage/Hosting	\$327,387	\$343,756	\$360,944	\$378,991	\$397,941	\$1,809,019
Subtotal							\$6,984,550

Purpose of Contract:

3M HIS will provide encoder software through its 3M 360 Encompass Platform for Encoder and other features of the 360 Encompass Platform will be fully integrated inside of the Epic Electronic Health Record application. The proposed solution will provide for HIM coding of inpatient and outpatient procedural coding, including MS-DRG and APR-DRG reimbursement formulary, APC core grouping calculations and other payer formulary calculations, and clinical documentation integrity (CDI) that are essential to an accurate and billable medical record. The 3M 360 encompass Platform is a cloud hosted application.

3M is a publicly traded corporation and was founded in 1902 at the Lake Superior town of Two Harbors, Minnesota. Business units include: Safety & Industrial, Transportation & Electronics, Health Care, and Consumer. 3M Health Information Systems, Inc (3M HIS) is part of the Health Care business. 3M HIS is committed to eliminating revenue cycle waste, creating more time to care and leading the shift from volume to value-based care.

3M Health Information Systems, Inc. was selected under RFP RFP SFGOV0000006765. **3M Health Information Systems Inc.** was the only proposer. The RFP allows for a contract of up to 9 years which includes contract options which may or may not be exercised.

Performance Monitoring:

The contract will be monitored in accordance with Hospital and network monitoring procedures by the Program Manager assigned to these services.

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Health Equity and Inclusion Compliance:

The Department will work with Contractor will provide necessary information to comply with the Department's Office of Health Equity (OHE) requirements and will align with the citywide efforts on contract equity as overseen by the Office of Racial Equity (ORE) in the Human Rights Commission.

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Listing of CEO, Board of Directors, and Owners of 10% or More of the Firm:

CEO: Michael F. Roman, Chairman of the Board and Chief Executive Officer

Board of Directors: There are 12 board members. Board members serve a term of 1 year. There are no vacancies and there are no term limits for members. Board members are elected every year at the annual meeting. The average tenure is seven years. They serve for a one year term and they can get reelected indefinitely, and must retire at age 74.

Roll#	Name of Board Member	Title
1	Michael F. Roman	Chairman of the Board and Chief Executive Officer
2	John P. Banovetz	Executive Vice President, Chief Technology Officer and Environmental Responsibility
3	Karina Chavez	Senior Vice President and Chief Strategy Officer
4	Zoe Dickson	Executive Vice President and Chief Human Resources Officer
5	Peter Gibbons	Group President, Enterprise Operations
6	Eric D. Hammes	Executive Vice President, Chief Country Governance and Services Officer
7	Ashish K. Khandpur	Group President, Transportation &. Electronics
8	Jeffrey R. Lavers	Group President, Consumer and interim Group President, Health Care
9	Mark Murphy	Executive Vice President Chief Information and Digital Officer
10	Monish Patolawala	Executive Vice President Chief Financial and Transformation Officer
11	Kevin Rhodes	Executive Vice-President and Chief Legal Affairs Officer
12	Michael G. Vale	Group President, Safety & Industrial

Owners of 10% or more of the Firm: 3M is publicly traded company and currently, there is no owner that owns more than 10% of share.